

All FINCOM members present

Motion to approve

Paul Mortenson motion to approve minutes 10/1

Steve Carluccio second

8-0-0

Paul Mortenson motion to approve minutes 10/8

Steve Carluccio second

7-0-1

### MODEL FY 2017

- Unused levy 19226
- New growth could come in higher; we could be around 30K more.
- Base levy will likely change
- 2.5% from '16, use new base with the '16 growth added to it
- 800K new growth number used for FY'17
- Might not recapture that much new growth?
- Victor seems pretty comfortable; Marketplace and Loomis St will come on books.
- Debt exclusion number
- Does not include any new debt
- Local receipts : PILOT up 1.5% and water up 5%
- We did find one meter issue, did recapture 230K, one time revenue source
- Are we convinced the meters are working properly now?
- Yes, for commercial/industrial
- Money goes to free cash and some to sewer revenue
- Were our rates higher because of it?
- No, because we knew there was some problem at the time when we set the rates
- Ended up raising by 7.5% because we knew about this meter
- About 1.82% increase in local receipts
- Sewer revenue will increase 6%, could be higher
- State aid: estimating no increase
- Free cash: using zero. Will submit free cash numbers next week to DOR. Hoping it will be certified soon. Hoping it will be a good number, but won't be as high as last year.
- June 30 closes out, then they certify free cash, audit is done, wait until Sept 30 for grants etc. to come in
- 2015 certified is used for FY '17
- Likely enough to do capital articles

- Federal impact aid: money received from feds for Hanscom students about \$150k in there now, community preservation: what we need to raise for the borrowing for the projects
- 900K overlay reserve for FY'17
- State assessments: same number as last year. One of the biggest is MBTA
- Snow deficit: using \$300K
- This last year was about \$660K but FEMA had reimbursed
- Health insurance: estimates, at 8% increase.
- Current and retired employees
- Can we get a split between them so we can keep track?
- There's a spreadsheet in the Dropbox. Also shows town/school split
- Was 7.5% last year
- Prior years it was around 4%
- Takes into account dental and new hires
- Retirement assessment: being told 6%
- General insurance: 7.5% due to workman's comp, our premiums will go up. might be able to adjust it at STM
- They have a 3-year look-back. Won't be good if we have another bad year.
- Medicare is showing a 4% increase
- Principal and interest: debt service: all that we've borrowed and that has been authorized. Nothing from 6-yr capital plan for FY'17
- Is it a way to set things up to justify more bonding?
- Not really, just trying to set aside money before setting guideline
- Embedding costs that haven't been approved?
- Should adjust this line along the way as we discuss the main capital article
- Merit will be distributed eventually
- Public works: Water purchase and MWRA assessment, assume 4% increase
- School nurses moved out of Board of Health
- \$516K moved out because of the Hanscom money
- Vocational Ed capital plan, we'd be responsible for 10%, maybe a \$6 million dollar project
- Reserve fund: some money in there in case we don't get the Hanscom money in the end
- General capital articles OPEB up 2.5% each year
- Leaves \$1,994,070 for the budget
- Capital Expenditures will have positions in December
- Capital articles likely will be covered by free cash

CAPITAL

- Identified projects to borrow and those for capital
- FY'17: Borrow: fire truck, communication, Lane addition (exempt), field (community preservation)
- Water/sewer: bonded through rates
- \$1.5 M road resurfacing, don't know about Chapter 90 money
- 700K might not be enough since Ch90 might be reduced
- Wants total funding to \$2M per year
- Did they have the capability? maybe if we hired contractors
- Previously, even with more money couldn't handle more miles
- How does it tie in with water?
- what is available in CPA funds
- Available (after all commitments are deducted)
- Requested capital/debt payments
- Available CPA funds there still
- Water and sewer projects: 2,770K projects on pages 7-11
- Proposing that capital article increases 3.5% every year
- Capital unassigned: what hasn't been thought of yet
- Also proposing an 18% increase from FY'16
- Debt separated into 4 categories on page 2
- Non-exempts, CPA, water/sewer, exempts
- Fawn Lake was pushed out to FY20
- CPA now has more available funds
- Assumes CPA is voted in at full amount 3% every year
- Assumes 20% match: what if match goes away?
- Rick Reed wants FinCom to embrace the concept, a certain level of endorsement
- Capital to go up same amount as operating budget
- Needs change, technology changes, etc. some projects become costly, so things can change, must do annual review of plans. don't want a sense that we don't need common sense and due diligence to be applied
- Salaries increased at 3.95%
- How confident are we with the school numbers? Schools were a part of this, numbers are pretty solid
- Ben: 36% increase in property tax for \$500K home over six (?) years 2007-2013
- If you are not conservative and your revenues don't come to light, then you have to cut back on things you don't want to cut back on.
- Free cash funds capital but also stabilization
- Tom: Condition of the Town? We're very good
- Have gone through a big cycle, renewed a lot of the buildings, will need to do that in the future. 750K square feet has been taken care of pretty well over the last 10 years, now planning on when these things need to be fixed

- How many licensed vehicles? 100 vehicles
- Looking at them they are overall in very good shape.
- So over the last 10-15 years, this committee has been very committed to a capital plan for this town. Why would that change now?
- Since we are farther ahead than we've been before, we can take the plans up front and we'll build a budget around it.
- Rick: what you've done is made the commitments one year at a time. What you're missing is that if we don't need something we just would not raise money for it
- Tom: And we will always fund the projects that are needed
- Ben: Money that was allocated that still hasn't been spent... but don't like dangling checks
- Rick: One issue we've experienced over the years is the staff doesn't feel confident that they'll get the things they ask for. don't think they can plan without TM vote
- Ben: We don't want to put money dangling out there when there are so many needs
- Tom: I don't believe they felt reluctant: don't see anywhere that a request wasn't fulfilled. Something needed ... don't see anywhere it wasn't funded
- Rick: I don't see anything that's not needed. If Finance Committee endorses this level of funding then FY18 projects will get vetted. This is the first time CapEx met after ATM to start planning
- Karen: Sense frustration, everything does seem to get funded, not sure what the frustration is. Every year priorities change, things come up, helps to assess things. do you have any examples of things that didn't get funding, inconvenienced people, disrupted things, can't tell what it's from
- Rick: Not saying that we're not doing what we need to do
- Elizabeth: Maybe it should be a fixed amount and not an increased (18%) and increasing (3.5%) amount

#### WARRANT

- Zoning changes: presented next week
- Article 2 planning board 5-0 disapproval
- Selectmen didn't like 2400 sq. ft. for newer units was a concern, and would apply to any school property that could be converted to use. Page Place now, but would apply to anything converted in the future. Of the 21 new units, the average size 1550 sq. ft., allowing a few 2400 with some 1400 sq. ft.

#### Article 4

- Serves 5 houses, recommended
- Tom Busa recommend approval
- Dave Powell second
- 9-0-0 approve

Article 5

- old way that is no longer used as a public way
- Service driveway that goes into iRobot. They purchased the storage shed, want to connect. Would discontinue it as a public way, then transfer the land.
- they are going to be doing more
- Tom Busa recommend approval
- Dave Powell second
- 9-0-0 approve

Article 6

- When you design and engineer a roadway, you design for pedestrians, bikes, etc., and try to support all of the users of the roadway to the extent that it's reasonable
- State will be creating a grant program that supports implementation of some of these features (bike lanes, etc.)
- Does it put requirements on us?
- Adds an element of considering it in all our projects. some leeway into the details
- Doesn't require every street to have a sidewalk, for example. must review and consider it.
- How much grant, etc.
- Dave Powell recommend approval
- Rich Bowen second
- 5-2-2

Article 11

- The adjustments to the model as we made them
- Paul Mortenson recommend approval
- Ben Thomas second
- 9-0-0

Article 12

- Delay in implementation
- Getting them into the academy
- Only hired three, fourth will start soon
- Reduction of salaries as a result
- Ben Thomas move to recommend
- Dave Powell second
- 9-0-0

Meetings attended

- Ben: pavement management
- Paul: police fire thermal imagers and tablets, trucks, proposed fields looking to recreation to replace carpets
- Dave: planning board, talked article 2. all against for slightly different reasons
- Evergreen Ave off South Rd cottage style
- Public meeting next Tuesday
- Elizabeth: schools solar project proposal, space needs
- Paul Mortenson motion to adjourn
- David Powell second
- 9-0-0